Loan given to agriculturists by banks in U.P.

170. DR. MOHD. HASHIM KIDWAI: Will the Minister of FINANCE be pleased to state:

(a) what is the total amount of agricultural loans granted by the nationalised banks in Uttar Pradesh during the last three financial years;

(b) what is the total recovery of these loans during the above period;

(c) whether Government have exempted interest payment on these loans in view of the drought conditions; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that the outstanding agricultural advances of the Public Sector Banks in Uttar Pradesh during the last three years were as under:

Year ended December	Outstanding agricultural advances (Rs. in lakhs)
1984	82718
1985	98360
1986	107976

(b) The position relating recovery of Direct Agricultural advances in respect of Public Sector Banks in Uttar Pradesh during the last three years as under:

(Amount in lakhs of Rs.)

Year ended June	Demand	Recovery
1984 . . .	29926	16130
1985 . . .	34043	18499
1986 . . .	39186	22348

(c) and (d) Reserve Bank of India have issued instructions to all scheduled commercial banks regarding relief to be provided to farmer borrowers that in the case of farmers affected by drought for 3 or more years in succession, banks may defer recovery of amounts falling due on account of interest and principal in the current year (July 1987—June 1988) for a period of 2 years or till the next normal years if it occurs earlier, reschedulement of existing loans, provisions of fresh crop loans etc. Further, no penal interest should be charged in such cases and the interest on the dues postponed should also not be compounded. These measures are expected to provide adequate relief in case of farmers affected by drought. There is no proposal to exempt interest as such.

Loans to educated unemployed

171. DR. MOHD. HASHIM KIDWAI: Will the Minister of FINANCE be pleased to state:

(a) what is the number of complaints received against banks for not paying loans or making delay in the payment of loans to the educated unemployed during the last financial year, State-wise; and

(b) what are the details of action taken against bank employees responsible for the delay or non-payment of loans to educated unemployed during the above period, State-wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Reserve Bank of India (RBI) have reported that the complaints against the working of banks including those relating to delay or non-payment of loans to the educated unemployed, as and when received, are taken up with the banks concerned for appropriate action. Taking into account the seriousness of the lapse on the part of the bank staff, if, any, the management of the bank concerned takes action against them as they deem fit in accordance with the service regulations.